

**COMUNIDAD
ANDINA**

SECRETARIA GENERAL



COOPERACION TECNICA

SG/ct 017
4 de marzo de 1975
E.4

**MEMORANDUM OF GRANT CONDITIONS BETWEEN THE
INTERNATIONAL DEVELOPMENT RESEARCH CENTRE
AND JUNTA DEL ACUERDO DE CARTAGENA. PROJET:
"FORESTRY TECHNOLOGY (ANDEAN PACT)"
ANNEXURE 1**

ANNEXURE 1

TO

MEMORANDUM OF GRANT CONDITIONS

March 4, 1975

MEMORANDUM OF AGREEMENT

BETWEEN:

The INTERNATIONAL DEVELOPMENT RESEARCH CENTRE, (hereinafter referred to as the CENTRE) a Public Corporation established by the International Development Research Centre Act, a Statute of the Parliament of Canada, having its Head Office in Ottawa, Canada

PARTY OF THE FIRST PART

-and-

The JUNTA DEL ACUERDO DE CARTAGENA (hereinafter referred to as the JUNTA)

PARTY OF THE SECOND PART

WHEREAS the CENTRE has approved a grant of up to \$988,420 (Canadian) for the Junta to enable the Junta to Study the technological properties of approximately 100 tropical wood species for their use in construction, (hereinafter referred to as the Project); and

WHEREAS it is the policy of the Junta to obtain title to and administer any patentable technology developed as a result of projects to which it is a party, in accordance with Decision 89 of the Commission of the Andean Pact and the rights and obligations that it confers on the member countries of the Pact; and

WHEREAS it is the policy of the Centre to ensure that any patentable technology arising from Centre grants is available to developing countries on reasonable terms, and to that end the Centre requires safeguards concerning availability of any invention for use by developing countries, it being understood that such "availability" includes such rights to the invention in developed countries as are required either to supply the invention for use in developing countries or to permit sale of products incorporating or made in accordance with the invention that are exported from such developing countries; and

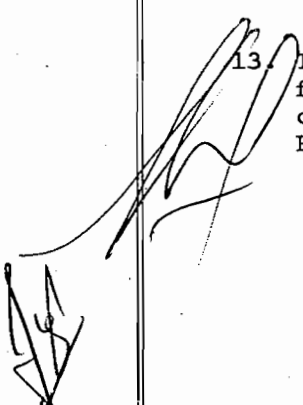
WHEREAS the Centre and the Junta each agree and acknowledge that the arrangements hereinafter defined are in accordance with their respective obligations as aforesaid:

NOW, THEREFORE, THESE PRESENTS WITNESSETH THAT IN CONSIDERATION OF THE PREMISES AND THE PERFORMANCE OF THE COVENANTS HEREIN CONTAINED, THE PARTIES HAVE AGREED AS FOLLOWS:

1. Subject only to the conditions hereinafter defined, the Junta will have complete right, title and interest in and to any patentable technology conceived, invented or developed directly as a result of the Project by the Junta or any personnel assigned to work on the Project by the Junta or its representatives.
2. The Junta will take all necessary steps to ensure that all personnel working on the Project are required to assign any invention they may make to the Junta and to refrain from disclosing any information respecting such inventions without the permission of the Junta and the Centre.
3. The Junta will promptly and fully inform the Centre of all details respecting each invention invented, conceived or developed during the course of the Project, including inventorship attribution(s) thereof, and identification and contents of any application, where-soever filed, for letters patent thereon. The Centre will take all reasonable steps to ensure that such information is kept in confidence and not given to any unauthorized person.
4. The Junta will retain in all circumstances the title to any such patentable technology in member-countries of the Andean Pact.
5. The Junta agrees to assume primary responsibility for assuring access by all developing countries throughout the world on a fair and reasonable basis to them to any patentable technology conceived, invented or developed directly as a result of the Project. Such access shall include not only the right to manufacture and use in their own countries equipment and methods in accordance with any such technology, but also to sell in other countries products made in accordance with such technology and to purchase therein equipment for such production.
6. The Junta will give the Centre notice of its intention to file any patent application with respect to any patentable technology arising from the Project, and in such event, the Junta and the Centre will collaborate to the maximum extent possible in order to ensure that the first such application filed in any country of the world will be an adequate basis for corresponding applications to be filed later in other countries, and the Junta will, to that end, forward to the Centre a draft of the first application to be filed by it and allow the Centre a period of at least thirty days to comment thereon prior to the filing thereof by the Junta.
7. In the event that the Junta gives notice to the Centre pursuant to paragraph 6, or that the Centre becomes of the view that patentable technology developed during the course of the Project has matured to the point where one or more patent applications thereon can and ought to be filed in a named country of the Paris Convention for the Protection of Industrial Property, the Centre may so advise the Junta and request it in writing to indicate within 60 days whether or not it is prepared to proceed with the filing of any such patent application. If within the said period of 60 days, the Centre has either received no reply from the Junta or alternatively the Junta has replied

to the effect that it is not prepared thus to proceed with any such patent application, the Centre has and is hereby given by the Junta an assignment of all rights to any such invention in such named country and may thereafter at its expense file an application for patent on such an invention in such country. In the event that the Junta advises the Centre that it is prepared to file such a patent application in said named country, it will proceed to do so promptly.

8. Within six months after the filing of the first patent application for any particular invention, the Junta shall advise the Centre of all corresponding applications in other countries which it has already filed or intends to file within the next six months.
9. Where, with respect to any named country, other than a member-country of the Andean Pact, with respect to which the Centre requests the Junta in writing to file a corresponding application, after 60 days from such notice, if the Junta advises the Centre that it does not intend to file such a corresponding patent application or if the Junta gives no notice of filing or intention to file pursuant to such notice or pursuant to the preceding paragraph, the Centre has and is hereby given by the Junta an assignment of rights therein to the invention and may thereafter, at its expense, file application for patent on such an invention in such country.
10. After the filing of any patent application by the Junta or the issuance of any patent resulting from such an application, the Centre may on reasonable notice obtain from the Junta current information concerning the status of such application or patent and the Junta shall not abandon, withdraw or permit to expire any such application or patent without first offering to assign such to the Centre without cost to it except for the preparation, execution and filing of the title documents required.
11. Where, pursuant to paragraph 7 or 9, the Centre has from the Junta an assignment of rights to an invention in a country which is not a member-country of the Andean Pact, the Junta agrees to provide the Centre with all necessary information, and title documents and other documents prepared by or at the expense of the Centre, respecting any such invention, including assignments of rights thereto and assignments of priority rights, in order to enable the Centre to perfect, file and prosecute an application for patent in such country, and the Junta will take all reasonable steps to ensure the cooperation of the inventors in so doing.
12. The Junta or its nominees in member-countries of the Andean Pact is hereby given an irrevocable royalty-free non-exclusive licence under any patents obtained by the Centre or its nominees pursuant to this Agreement, for the manufacture, use or sale of technology or products made therefrom, developed pursuant to the Project.
13. The Centre or its nominees is hereby given an irrevocable royalty-free non-exclusive licence under any patents obtained by the Junta or its nominees in any country that is not a member of the Andean Pact in respect of technology developed pursuant to the Project for:



- a) use of such technology in developing countries;
 - b) manufacture of equipment for such use; and
 - c) sale of products resulting from such use.
14. Where, pursuant to paragraph 12 or 13, one of the parties hereto or its nominee has a licence from the other party, the latter will, at the request and expense of the former, provide such further documentation confirming the existence and extent of such licence as may be considered desirable or necessary for recording such licence against any such patents or applications therefore.
15. In the event that the Centre receives royalties from patents or licences owned and obtained by it pursuant to this Agreement, the Centre will remit to the Junta that portion of such royalties which are in excess of the total patent expenses incurred by it pursuant to this Agreement.
16. Nothing in this Agreement shall have the effect of abrogating or limiting any right the Centre or the Junta may have
- a) to make, use or sell any invention arising from the Project in any country where patent rights pertaining thereto do not exist, or
 - b) to apply for and obtain compulsory licence rights thereunder under any applicable law in countries where patent rights do exist but where notwithstanding this Agreement a third party could apply for and obtain such compulsory licence.

DATED at *Lima* in *Peru* this *5th* day of March 1975.

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

By *James P. Pöfner*

DATED at *Lima* in *Peru* this *5th* day of March 1975.

JUNTA DEL ACUERDO DE CARTAGENA

By *[Signature]*